

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD THEIR REGULAR MONTHLY MEETING ON TUESDAY, JULY 19, 2011, AT 1:30 P.M., IN THE BOARD OF SUPERVISORS MEETING ROOM LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 104, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: Charles Wagner, Chairman
 Russell Johnson, Vice-Chairman
 Ronnie Thompson
 David Cundiff
 Wayne Angell
 Leland Mitchell
 Bobby Thompson

OTHERS PRESENT: Richard E. Huff, II, County Administrator
 Christopher Whitlow, Asst. Co. Administrator
 Larry Moore, Asst. Co. Administrator
 B. J. Jefferson, County Attorney
 Sharon K. Tudor, MMC, Clerk

Charles Wagner, Chairman, called the meeting to order.

Invocation was given by Supervisor Bobby Thompson.

Pledge of Allegiance was led by Supervisor Bobby Thompson.

PUBLIC COMMENT:

Jerry Modaro shared with the Board his comments regarding the allocation of additional money to the School System for Insurance Premium Increases.

Good afternoon Mr. Chairman, members of the board. Thank you for allowing me to express my concerns this afternoon.

Normally I would E-Mail my concerns to you to avoid using valuable time at this meeting, but when I have done so in the past I usually only get replies from 3 board members. I'm never really sure the rest of you even receive my comments. This issue is important enough to me that I felt it should be brought up here.

Within the next month or two, the school system will ask you for increased funding to cover the additional cost of health insurance premiums for its employees. According to news reports, this request may be as much as \$755K. I don't know why this increase was not included in the budget so that it was forced to compete with all the other items requested.

I'm sorry that school employees have not received a raise in 3 years. I am also sorry that most private sector employees and retirees have not received a raise in 3 years. With declining property and retirement account values, stagnant income, rising property taxes, utility rates, insurance rates, medication and food costs, many people are having to prioritize their expenditures. I see no reason that school employees should not be subjected to the same constraints the rest of us are forced to deal with.

These rising insurance premium costs are now, and will continue to be a fact of life. Private sector employees and retirees are forced to accept them, and I expect school employees to accept them also.

School officials will continue to tell you that these costs must be absorbed so that they can retain existing employees and recruit new ones. This claim may have been valid in the past, but in today's economic environment I don't believe it has any merit. We need to avail ourselves of present conditions, and bend the cost of education down in the same manner we have reduced the cost of the rest of County government.

School officials will attempt to have you approve the use of some of the carryover funds to pay for the increased insurance premiums. As most of you have stated in the past, it's not a very good idea to use one time money for continuing costs.

For years the majority of this board has had the philosophy of holding the employee harmless when it comes to increased insurance and retirement costs. I believe it's time to apply some of that philosophy to the taxpayers.

Thank you for your attention, that concludes my remarks at this time.

CONSENT AGENDA
APPROVAL OF ACCOUNTS PAYABLE LISTING, APPROPRIATIONS, TRANSFERS & MINUTES FOR – JUNE 21 & JULY 8, 2011
APPROPRIATIONS

<u>DEPARTMENT</u>	<u>PURPOSE</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
Public Safety	Four For Life Funds	3505- 5540	\$57,215
Public Safety	Dept of Health Grant	3505- 5540	\$2,142
Commonwealth Attorney	Additional Comp Board Funds	2201- 1001	\$5,113
CSA	Additional Third Party Reimbursements received	5309- 5732	\$213,270
	Total		\$277,740

Transfers Between Funds, Departments, Capital Accounts

Economic Development	CDBG Grant	8105- 5907	(220,841.00)
Economic Development	CDBG Grant	30-	220,841.00
To move the CDBG Grant from the General Fund to the Capital Fund			

Reassessment		1211- 3002	(179,002.00)
Reassessment	Capital Set Aside	30-	179,002.00
To move remaining Reassessment funds to the Capital Fund			

Transfers Between Departments:

Circuit Court			480.00
J & D Court			(480.00)
Public Safety			141,618
Sheriff			(141,618)
Library			4,200
Parks and Recreation			(4,200)
Tourism			63,682
Economic Development			(63,682)

<u>DEPARTMENT</u>	<u>PURPOSE</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
Designated Carryovers Required by Revenue Classification/Board Action			
Sheriff	Project Lifesaver	3102- 5105	\$3,887
Sheriff	Tactical Team Donation	3102- 5413	\$2,122
Sheriff	DARE Donations	3102- 5423	\$2,658
Sheriff	Bullet Proof Vests	3102- 5422	\$4,506
Sheriff	Jail Pay Phone Commission	3301- 7010	\$47,169
Sheriff	Domestic Violence Grant	3105- 1010	\$31,062
Public Safety	Animal Shelter Donations	3501- 5413	\$1,559
Public Safety	Pet Friendly License Plates	3501- 5600	\$1,007
Public Safety	Spay/Neuter Funds	3501- 5620	\$2,649
Public Safety	Four for Life Grant	3505- 5540	\$74,619
Landfill	Litter Control Grant	4203- 5467	\$1,883
Planning	Housing Rehab Funds	8101- 5703	\$36,636

Planning	Zoning Ordinance Prof Services	8102- 3002	\$60,000
	Total		\$269,757
Department Carry Forwards/Rollovers:			
Board of Supervisors			\$30,000
Commissioner of Revenue			\$4,395
Information Technology			\$7,400
Registrar			\$44,433
Finance			\$2,900
Human Resources			\$2,370
General District Court			\$8,668
Clerk of Court			\$16,405
Commonwealth Attorney			\$4,208
Sheriff			\$52,316
Public Safety			\$29,200
Public Works			\$33,000
Landfill			\$118,387
Social Services			\$5,000
Family Resources			\$13,798
Parks and Recreation			\$33,870
Planning			\$16,777
Franklin Center			\$7,000
E911			\$13,085
	Total		\$443,212

Transfers Between Funds, Departments, Capital Accounts

Franklin Center	(2,000.00)
Information Technology	2,000.00
To transfer funds between departments	
Information Technology	4,000.00
Capital Fund	(4,000.00)
To transfer funds from Capital to General Fund	

11TH JAKES EVENT AT WAID RECREATION AREA

For the past 10 years the Franklin County Longbeards Chapter of the National Wild Turkey Federation holds a JAKES, Juniors Acquiring Knowledge, Ethics and Sportsmanship event at Waid Recreational Area. Among the many worthwhile activities that happens at this event a popular one is of the live firing of the black powder (muzzleloading) and shot guns. Each year the JAKES event committee has gotten permission from the Board of Supervisors to allow live firing in the park and they are once again coming to the board for permission. This event is scheduled for September 10, 2011.

This is the 11th year for the JAKES event in Franklin County. Under the strict supervision of the Franklin County Longbeards Chapter NWTF and an officer from the Town of Rocky Mount Police Department, who are qualified as an instructors and in firearm handling and safety, the group wishes to allow a live firing exercise with muzzleloading and 20 gauge shotguns. Here are their requirements for participation in this exercise:

- Youths must be the ages of 11-17 years old to participate
- Each youth will be allowed to shoot a total of 2 rounds
- Each youth will be closely supervised, one on one by adult committee member
- Youths will be shooting at a still target
- Eye and hearing protection will be required and provided.

The FC Longbeards Chapter of the NWTF also has their own insurance covering this event.

RECOMMENDATION:

Staff recommends approval for the FC Longbeards Chapter of the National Wild Turkey Federation to have permission to conduct this live fire exercise in conjunction with the JAKES event at Waid Recreational Area on September 10, 2011.

LAKEWOOD FARM ANNUAL OUTDOOR OCCASION PERMIT FOR 2011

Jeff Woody, Promoter for the Lakewood Farm Annual Outdoor Occasion event, is requesting approval for his 2011 Annual Outdoor Occasion Permit for ***Sunday, September 11th, 2011***. The submitted Outdoor Occasion Permit is enclosed for your review.

All pertinent agencies per County Code Section 13-29.2 have signed off on the 2011 Outdoor Occasion Permit scheduled for *Sunday, September 11th, 2011*.

Per County Code Section 13-29.4 the fee of \$100.00 has been paid (***Friday, June 17th, 2011***) and deposited with the County Treasurer's Office.

RECOMMENDATION:

Staff recommends approval of the application, as submitted, per County Code Section 13-29.1 as presented.

2011 DON PALMER OUTDOOR OCCASION PERMIT

Don W. Palmer, Owner & Operator of the Motorcycle event is requesting approval for his 2011 Annual Outdoor Occasion Permit for August 27 & 28, 2011. The submitted Outdoor Occasion Permit for Mr. Palmer. is enclosed for your review and consideration.

All pertinent agencies per County Code Section 13-29.2 have signed off on the 2011 Outdoor Occasion Permit for Mr. Palmer.

Per County Code Section 13-29.4 the fee of \$100.00 has been remitted and deposited with the County Treasurer's Office.

RECOMMENDATION:

Staff request Board approval on the 2011 Outdoor Occasion Permit application as submitted per County Code Section 13-29.1.

NEW FUND BALANCE POLICY

The Governmental Accounting Standards Board (GASB) recently issued Statement Number 54, Fund Balance Reporting and Governmental Fund Type Definitions. Franklin County must implement this new statement for the fiscal year ending June 30, 2011.

Statement Number 54 establishes a new hierarchy of fund balance classifications and clarifies the definitions of existing governmental fund types. The new standard only applies to funds which are reported on the modified accrual basis of accounting. The definitions of the five possible fund balance classifications are contained in the submitted policy. Undesignated fund balance will now be titled "Unassigned fund balance". The County will continue to maintain an unassigned fund balance that is 10% of the County's total net budget.

**Franklin County, Virginia
Fund Balance Policy**

I. Purpose

The Board of Supervisors of Franklin County is dedicated to maintaining an appropriate level of fund balance sufficient to mitigate current and future financial risks and to ensure stable tax rates; and, therefore, formally establishes this policy for the County's Fund Balance. This policy also authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

II. Components of Fund Balance

Fund balance is the difference between the assets and liabilities reported in a governmental fund. The following five fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used:

- Non-spendable fund balance – amounts that are not in spendable form (such as inventory and prepaid assets) or are required to be maintained intact (corpus of a permanent fund);

- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority; for all funds except the general fund, assigned fund balance is the residual fund balance classification;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund.

III. Committed Fund Balance Policy

The Board of Supervisors is the County's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board of Supervisors. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

IV. Assigned Fund Balance Policy

The Board of Supervisors has authorized the County's Finance Director as the official authorized to assign fund balance to a specific purpose as approved by this fund balance policy.

V. Minimum Unassigned Fund Balance Policy

The County will maintain an unassigned fund balance in the general fund of no less than two months of regular general fund operating revenues. The County considers a balance of less than two months of regular general fund operating revenues to be cause for concern, barring unusual or deliberate circumstances.

VI. Resource Flow Policy

When fund balance resources are available for a specific purpose in more than one classification, it is the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

RECOMMENDATION:

Staff respectfully requests the Board's approval of the submitted fund balance policy, effective June 30, 2011.

FY'2012 PIEDMONT COMMUNITY SERVICES PERFORMANCE CONTRACT

As required by Virginia statute (37.2-508.D) Piedmont Community Services is required to provide to the localities (Franklin, Patrick, Henry Counties and the City of Martinsville) the FY'2011-12 Performance Contract between their agency and the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services. Piedmont Community Services is required to report to the Department the action taken by each locality.

The purpose of the contract is to establish requirements and responsibilities between Piedmont Community Services and the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services that are not established through other means, such as statute or regulation. The FY'2011-12 contract has not changed from previous years although reporting requirements continue to be simplified. Also the document has been split into three parts with the purpose of simplification:

- Performance Contract continues as the core financial and service agreement
- Partnership Agreement pulls out of the contract important policy understandings and
- Administrative Requirements Document

Approval of the contract does not make Franklin County a party to the contract and creates no additional responsibility. The contract shall be in effect for a term of one year, commencing on July 1, 2011 and ending on June 30, 2012.

RECOMMENDATION:

Staff respectfully requests the Board of Supervisors, by resolution, authorize the County Administrator to execute the annual contract for FY'2011-2012 with Piedmont Community Services Board.

RELEASE OF ONE TIME COST OF LIVING PAYMENT

As part of the adopted budget, the Board of Supervisors graciously approved a \$400 one-time cost of living payment for all full-time County and School employees. Also approved was a \$200 one- time cost of living payment for part-time employees who consistently work 20 hours or more per week throughout the year.

In keeping with the Board's guidance, staff is preparing to release the one-time cost of living payment as part of the August 2011 payroll on August 31, 2011. By including this payment in the regular pay for the month, it is anticipated that less federal and state taxes will be withheld thus producing a larger take home payment. If the County were to do a separate check, then federal taxes would have to be withheld at 25% and state taxes withheld at 5.75%. The amount of take home pay will vary by employee depending on the number of exemptions claimed for federal and state tax purposes.

It is our understanding that the Schools are planning on releasing their one-time cost of living payment this month and only to staff who were employed for at least 75% of the 2010-11 year and who are still employed for 2011-12. New school staff hired for the 11-12 school year will not receive it.

FISCAL IMPACT:

There are no additional funds requested from the Board at this time. The total cost of the one-time cost of living payment (\$138,653) has been included in the County's adopted fiscal year 2011-2012 budget.

RECOMMENDATION:

Staff respectfully requests the Board's permission to release the one-time cost of living payment to County employees in the August 2011 pay check.

SHERIFF'S DEPARTMENT VEHICLE CAMERAS

In June 2009, the Board of Supervisors authorized the Sheriff's office to purchase digital in-vehicle camera systems for 12 of our road unit vehicles which also included a backroom server video storage system. A thirteenth unit was purchased in January 2010 and in the summer of 2010 the server video storage system was upgraded to provide a more stable and secure environment and allow for additional vehicle units to be added to the system. The Sheriff's office has a total of 25 road unit vehicles with 12 of those units without a camera recording system. As part of the original purchase authorization, the Board authorized the County Administrator to enter into an agreement with the Houston-Galveston Area Council of Governments (H-GAC) to utilize their shared pre-bid contract with L-3 Mobile Vision for the purchase. The Sheriff's Office currently has a CIP budget in the amount of \$60,480 for this project for this fiscal year.

The increase of confrontational and contested situations involving law enforcement officers requires in-car video cameras to become a necessity in all first responder vehicles. The cameras are needed for officer safety as well as documentation of the officer's activities involving vehicles and contact with law violators and the general public. There have been several situations within the last year involving deputies that have the newest digital in-car cameras which has proved to be invaluable in their documentation of events. The first situation involved a deputy responding to an emergency call and involved a citizen vehicle not yielding the right of way nor responding to a marked Sheriff's Office vehicle with emergency lighting and siren activated. The vehicle cut into the path of the deputy's vehicle causing considerable damage to both vehicles. The operator of the other vehicle alleged the deputy was operating recklessly with no emergency equipment operating. The insurance company of the other vehicle requested tremendous compensation for our alleged violations. The vehicle data recording device was retrieved by a supervisor and the recorded data clearly indicated the operator of our vehicle had all emergency equipment operational and was clearly operating in a safe matter. The insurance company immediately dropped their request and our insurance

company requested damage compensation from them. Another incident involved a tragic recorded event in which Sgt. Hodges had to use lethal force against a perpetrator of domestic violence when the perpetrator threatened Sgt. Hodges with a handgun and ultimately fired a handgun at the victim of the domestic violence. This audio recording clearly documented the lethal situation thus avoiding any negative recollections or doubts about the fatal situation that occurred.

At present there are only thirteen installed in-car cameras of the new digital quality. These new cameras were purchased through a federal technology grant several years ago. There are currently no further grants available at this time to purchase any more in-car video cameras. Beginning in 2004 all first responder patrol vehicles were equipped with the old type in-car video cameras, however all these cameras have out lived their operational expectancy and none are currently operational due to no repair parts nor technical support being available.

It is the goal of this project request to purchase and install the new digital in-car video cameras in the remaining 12 first responder vehicles that currently have no operational camera.

Cost Breakdown	
Cost for Each Vehicle	\$5,090.00
Installation each Vehicle	\$150.00
Number of Vehicles	12
Total Cost	\$62,880.00
CIP Funding	\$60,480.00
Sheriff Operating Budget	\$2,400.00
Total Funding	\$62,880.00

All installations will be completed through our local installation service shop and as part of the original installation of new vehicles as much as possible to provide some savings.

The systems we propose to purchase are an exact match to the systems in the original 13 vehicles. The L3 systems are available on the Houston-Galveston Area Council (H-GAC) of Governments contract. This competitively bid contract is similar to the Federal GSA contract and is available for use by any local or state agency nationwide after registration and executing an agreement with H-GAC. The use of this contract is allowed by the Virginia Cooperative Procurement code. A fee is charged for use of the contract, but that cost is incurred by the vendor. Registration with H-GAC is a onetime requirement which we completed with the original purchase.

RECOMMENDATION:

- 1. Appropriate the \$60,480 currently in the CIP for this project with the remaining \$2,400 coming from the Sheriff’s Office operational budget.
- 2. Authorize the County Administrator or designated staff to finalize the purchase order and/or purchase agreement with L3 Communications for 12 digital vehicle camera systems for a total cost of \$61,080 through the H-GAC contract.

Russ Johnson, Gills Creek District Supervisor expressed his concern regarding the New Fund Balance Policy setting aside 10% of funds of the entire County budget for fund balance. The consensus of the Board to reword the fund balance policy so the reserve amount corresponds to the recommendation of Government Finance Officers Associations (GFOA). The GFOA recommends at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues.

Ronnie Thompson, Boone District Supervisor, expressed possible ramifications concerning the One-time Cost of Living payment release. It is our understanding that the Schools are planning on releasing their one-time cost of living payment this month and only to staff who were employed for at least 75% of the 2010-11 year and who are still employed for 2011-12. New school staff hired for the 11-12 school year will not receive the COPL.

(RESOLUTION #01-07-2011)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the consent agenda items as presented above.

MOTION BY: Leland Mitchell
SECONDED BY: Wayne Angell
VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Cundiff, Angell, Thompson & Wagner
NAYS: Ronnie Thompson (Release of One Time Cost of Living Payment)
NAYS: Russ Johnson (New Fund Balance Policy)

THE MOTION PASSED WITH A 5-2 VOTE.

STORMREADY DESIGNATION

Daryl Hatcher, Director of Public Safety, introduced Phil Hysell, Chief Meteorologist, National Weather Services and Stan Crigger, VDEM Regional Coordinator. Mr. Hysell & Mr. Drigger, stated Americans live in the most severe weather-prone country on Earth. Each year, Americans cope with an average of 10,000 thunderstorms, 5,000 floods, 1,000 tornadoes, and an average of 2 land falling deadly hurricanes. And this on top of winter storms, intense summer heat, high winds, wild fires and other deadly weather impacts. StormReady communities are better prepared to save lives from the onslaught of severe weather through advanced planning, education and awareness. No community is storm proof, but StormReady can help communities save lives. Ninety percent of all presidentially declared disasters are weather related, leading to around 500 deaths per year and nearly \$14 billion in damage. StormReady, a program started in 1999 in Tulsa, OK by the National Weather Service, helps arm America's communities with the communication and safety skills needed to save lives and property—before and during the event. StormReady helps community leaders and emergency managers strengthen local safety programs.

Public Safety began the process to become a Storm Ready community 2 years ago. Only 33 other jurisdictions throughout Virginia have achieved StromReady certification. For Franklin County to receive StormReady certification it had to meet or exceed 20 separate criteria outlining how the community prepares for and responds to weather emergencies. These criteria range from how Franklin County receives and disseminates emergency warnings to staff and to the public to how we train responders and the public to recognize severe weather events. The National Weather Service and Virginia Department of Emergency Management conducted an on-site inspection of county facilities and reviewed our operational guidelines for responding to severe weather events to ensure Franklin County is prepared for weather emergencies.

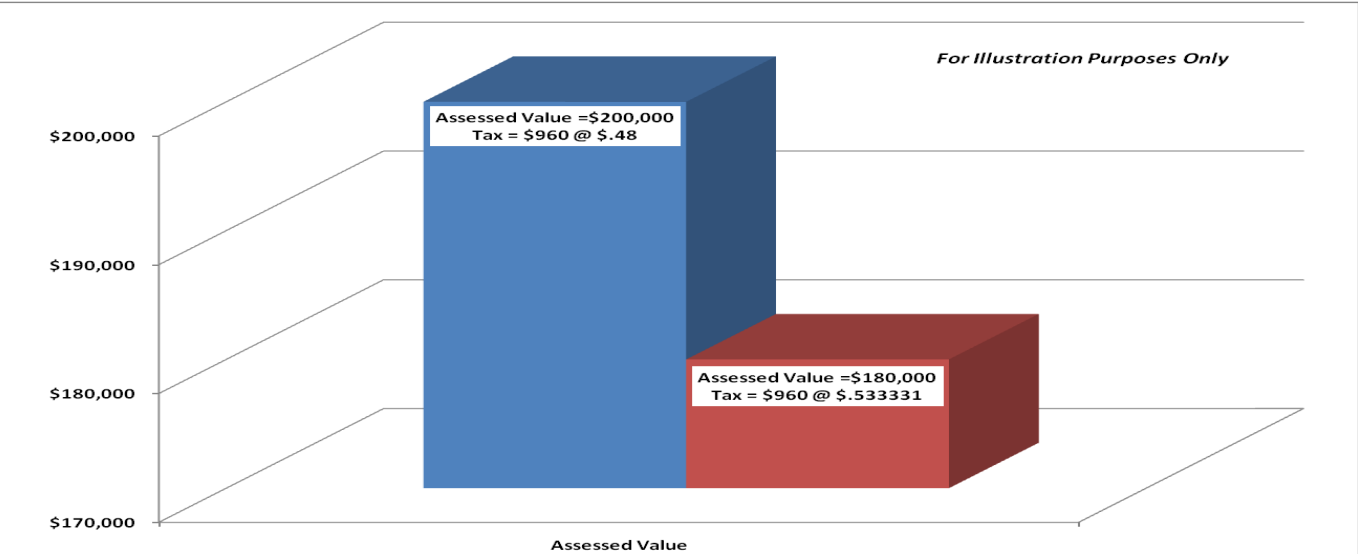
RECOMMENDATION: Staff respectfully recommends that the Board of Supervisors accepts StormReady certification from the National Weather Service for Franklin County.

The Board accepted the StormReady certification accordingly.

FY'2012-2013 BUDGET PREVIEW

Vincent Copenhaver, Director of Finance, stated as we prepare for the 2012-2013 budget, the Board will have some significant challenges. We do not yet know what revenues will look like, but we know that there are several potential significant challenges looming. The submitted sheet shows a hypothetical 10% reduction in assessed values and the corresponding increase in the rate to bring in the same revenue. This would not be a tax increase, but a rate increase with corresponding drop in assessed value. The reassessment will be effective for taxes collected in December, 2012.

The second sheet shows the combined, potential impact of the loss of federal stimulus funds, loss of state hold harmless funds, and the possible increases in mandated employer paid retirement contributions. The \$4.8 million impact, if it all plays out, will make the 2012-2013 very challenging.



$\$200,000/100*\$.48=\$960.00$

$\$180,000/100*\$.533331=\$960.00$

Franklin County
Upcoming 2012-2013 Budget Challenges

Schools:	
Loss of Federal Education Jobs Funds	\$1,615,903
Loss of Supplemental Support for School Operating Costs	\$539,327
Possible Retirement Rate Increase:	
Each 1% increase in the retirement rate = \$416,000	
A 5% increase could cost (although this amount would be offset by some increase in State reimbursement for retirement)	\$2,080,000
Total	\$4,235,230
County:	
Possible Retirement Rate Increase:	
Each 1% increase in the retirement rate = \$117,018	
County rate could go from 14.15% to 18.98% - a 4.83% increase	
A 4.83% increase could cost (although this amount would be offset by some increase in State reimbursement for Social Service employees)	\$565,197
Total Challenge Number as we Know it Today	\$4,800,427

Fund Balance

Undesignated funds are created as a result of revenues coming in higher than anticipated or expenditures being lower than budgeted or a combination of both.

At the \$120 million budget level, the average spending would be anticipated to be \$10 million per month. A \$10 million cash balance at the end of any month would then represent 4 weeks of expected spending if it were an “average” month.

Bond rating agencies like to see a 10% of total budget fund balance which then provides a cushion against unforeseen circumstances. In the current economic situation, we are seeing more and more instances of our fund balance being used to cover grants and state and federal programs until they are reimbursed, often months after the expenditures are made. I have seen this cash flow issue amount drop to as low as \$1.5 million in the past at any given point in time.

In addition to the 10% fund balance policy,, The Government Finance Officers Association (GFOA) recommends 2 months of General Fund Operating Revenues which equals \$12.1 million.

So what should happen with Fund Balance that exceeds the 10% policy? Just like in a home budget, you have to decide whether to store it away for known future expenses, pay off debt, purchase capital items for which there is insufficient money in the budget to address, use it for ongoing expenses knowing that when it is depleted next year, other arrangements will have to be made, or allow it to be drawn down for necessary expenditures until it is gone.

Each of these strategies has its merits. The Board is aware of several issues which have not yet been addressed:

- 1. The current CIP funding level for the schools at \$340,000 for bus replacement and \$880,000 for other school capital for a total of \$1,220,000 is insufficient to meet the \$3.5-5 million of requests for CIP funding by the School Board.
- 2. Addressing the need for additional instructional space at the High School and Middle School has been estimated at \$65 – 100 million.
- 3. Landfill borrowing over the next 5 years is estimated at \$4.2 million and \$20 million over the next 20 years.
- 4. Funding for future fire stations, branch libraries, water system expansions, Social Service Office space, and other projects is currently unidentified.
- 5. The County has identified natural gas to be a priority for Economic Development. The estimated price tag not covered by others is \$10 - 12 million.
- 6. A future Industrial/Business Park has been identified as a high priority. The County is nearing the point of being out of sufficient product to be a viable contender for new jobs. A new park with the necessary infrastructure and utilities could easily be in the \$8-12 million range.

**Franklin County
Analysis of Fund Balance at June 30, 2011**

		<u>Millions</u>
Beginning Balance July 1, 2010		16.5
Revenues Greater than Budget (2.8% of Budget)		2.1
Expenditure Savings (1.9% of Budget) (Some expenditure savings also reflect decreased revenues such as Social Services)		1.4
Used for County and School Carryovers during FY 10-11		<u>(3.8)</u>
= Preliminary Balance at June 30, 2011		16.2
Used to cover Cash Shortage at June 30, 2011 in School Fund		<u>(0.4)</u>
= Adjusted June 30 Balance		15.8
Uses:	One Time Cost of Living Payment for County and Schools	(0.7)
	County Carry Forwards	(0.7)
	School Carry Forwards Requested to Date	<u>(0.5)</u>
		13.9
GFOA Recommendation of 2 months of General Fund Revenues be held as fund balance		<u>(12.1)</u>
Possible Remaining		1.8
Uses:	Replacement School Buses	
	Budget request of 10 regular and 4 special ed	1,187,550
	Less 3 buses recently purchased	(218,395)
	Less FY11-12 CIP budget (4 buses?)	<u>(340,000)</u>
		629,155
		How many more buses do the Schools need?

School Capital Reserve	500,000
Glade Hill Fire	
Station	1,300,000
Total Possible	
Uses	1,800,000

Disclaimer: The numbers are still changing as we make adjustments to the FY10-11 books.
General discussion ensued regarding different scenarios regarding reassessment, stimulus funds lost for schools and loss/retirement scenarios.

RETRIEVAL OF OVERDUE MATERIALS REMOVED FROM LIBRARY

David Bass, Library Director, shared with the Board background on the retrieval of overdue materials removed from the Franklin County Library System.

- It is a universal situation among libraries that some patrons will not return items on time.
- Libraries use a variety of methods to encourage patrons to return overdue materials, starting with notices.
- Nationally, 97% to 98% of overdue materials are returned once the patron receives a notice or series of notices.
- The 2% to 3% of unreturned materials can represent a significant financial loss for a library. Given our current annual circulation of 230,000 items and based on national statistics, the Franklin County Library (FCL) would expect to generate 312 new long overdue accounts a year with a value of \$25 or more.
- Fortunately, FCL has done much better than national averages in retrieving long overdue items, with a loss rate of less than 1%. FCL projects that it generates only 133 new accounts a year with a long overdue value of \$25 or more.
- The value of long overdue accounts, however, is usually much more than \$25. (Nationally, this is often used as a threshold amount when discussing long overdues.) The average value of FCL’s long overdue accounts, however, is \$68.65.
- FCL’s projected loss with 133 new accounts per year at an average of \$68.65 equals \$9,130. If FCL ever approached the national average of 312 new accounts based on its circulation, the potential annual loss at \$68.65 per account would be \$21,419.
- FCL has become increasingly aware of this problem with growth. With further growth, the problem will only increase as it relates to total circulation of materials.
- The Code of Virginia states that any person not returning materials within thirty days after being notified in writing will (section 42.1-74) “...be guilty of a misdemeanor and punished according to the law...”
- It is easy for a patron to disregard notification and difficult then for a library to retrieve those materials. In the past, methods beyond sending notices were labor intensive, convoluted and not cost efficient.
- Recently, many libraries have turned to Unique Management Services (UMS) for the retrieval of long overdue materials.
 - UMS works strictly with libraries.
 - UMS has over 1,500 clients in the United States, Canada, United Kingdom, Australia and New Zealand, including twenty-five public libraries in Virginia.
 - Some of the public libraries in Virginia using their service include the larger systems such as Newport News, Richmond, Fairfax, and Virginia Beach; medium sized systems such as Montgomery-Floyd Regional, Massanutten Regional (Harrisonburg), Valley Consortium (Augusta, Staunton, Waynesboro), Samuels Library (Winchester) and Bedford; and smaller libraries such as Radford, Culpepper and Powhatan.
- A recent survey conducted by FCL on the state sponsored directors’ listserv elicited only positive responses about UMS. As an example,
 - “We started using Unique 10 months ago and are extremely satisfied. They are easy to work with, responsive, and caring. Our biggest surprise is that, to date, there has been no backlash from patrons... They are worth the money to me. We are getting back materials and that was our goal.” Paula Alston, Montgomery-Floyd Regional Library
 - “VBPL uses Unique and we’ve been very pleased.” Marcy Sims, Virginia Beach Public Libraries
 - “They have had an impact on the number of materials being returned on time.” Izabela Cieszynski, Newport News Public Library
 - “They are nice and easy to work with....” Toni Cox, Radford Public Library

- FCL would only use UMS's service after sending out three notices of its own without a response from the patron within sixty days. At this point the patron is guilty of a misdemeanor. The following process would be used.
 - FCL would establish a threshold amount for referral. Most libraries use a minimum material value of \$25.
 - FCL's integrated library system (ILS) would automatically e-mail UMS. Staff would not have to be involved with any of the process. Satisfied claims would automatically be e-mailed as well. (ILS is the computer system that links the library's circulation, cataloging, searching capabilities, etc.)
 - UMS utilizes a 'gentle nudge' approach that is designed to maintain patron goodwill.
 - The first letter from UMS is checked against the National Change of Address database and sent out immediately. The second letter, if necessary, is sent out three weeks later.
 - If the patron has not responded within thirty-five days of the initial contact, UMS phones the individual in the early evening hours of Monday-Friday and during the day on Saturday. Two attempts will be made.
 - If UMS is still unsuccessful, they will do a skip trace and get a corrected address. Another letter will be sent and warn the patron that his/her account may be referred for further action.
 - If the patron has not satisfied his/her account within 120 days of referral to UMS, the account is sent to TransUnion, CBI/Equifax and TRW/Experian. No matter where the patron moves, their obligation to FCL will show up on their credit report until resolved.
- Other important considerations with UMS include:
 - UMS is a sole source with our ILS provider, SirsiDynix. That means they are the only company who provides this service that has software compatible with SirsiDynix software.
 - UMS offers a ninety day trial. At the end of that time, if FCL does not want to continue with their service, there is no charge for UMS's work for the trial.
 - Should FCL decide to continue with UMS after the trial, it is strictly on a 'pay as you go basis' per transaction, with no contract to sign. UMS's flat charge per transaction is \$8.95. (That is \$8.95 per account referred. An account may contain several delinquent items.)
 - FCL would pass the transaction charge on to the offending patron. The FCL would warn the patron in its third overdue notice that this could happen. (Most libraries handle the matter this way.)
 - SirsiDynix, also, offers a ninety day trial of its necessary software module. If FCL did not continue with UMS, there would be no charge from SirsiDynix.
 - FCL can customize the SirsiDynix software to determine what and how much value will be referred to UMS.
 - UMS projects that a library should recover at least \$4 in value for every \$1 spent with them. Last year the Radford Public Library spent \$600 with UMS and retrieved \$7000.

RECOMMENDATION: The Franklin County Library Board of Trustees asks permission from the Board of Supervisors to enter into a ninety day trial with Unique Management Services and SirsiDynix. If satisfied with the results as documented after the ninety day trial period it is recommended by staff that the Board of Supervisors authorize the County Administrator to enter into an agreement authorizing continuance of service on an as needed basis. It is further recommended that staff report results semi-annually to the Board of Supervisors and Library Board.

(RESOLUTION #02-07-2011)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve staff's recommendation as presented for a ninety day trial with Unique Management Services.

MOTION BY: Wayne Angell

SECONDED BY: Russ Johnson

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Cundiff, Angell, Johnson, Thompson & Wagner

NAYS: Ronnie Thompson

LANDFILL TIMELINE/LANDFILL DEVELOPMENT CHALLENGES

Larry Moore, Assistant County Administrator, presented the following PowerPoint presentation:

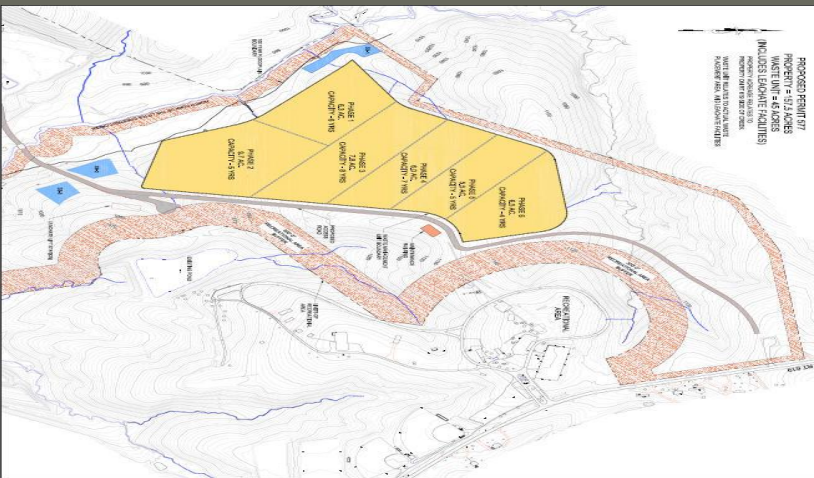
Landfill Development

July 8, 2011
Board of Supervisors Planning Retreat

Existing Landfill



New Landfill



Existing Landfill

Active Landfill (Permit #72)								
		2011-2017	2017-2022	2022-2030	2030-2037	2037-2042	2042-2046	35-Year
Professional Services		Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Totals
	Engineering Consulting	\$60,000	\$50,000	\$80,000	\$70,000	\$50,000	\$40,000	\$350,000
	Water Quality Monitoring & Ana	\$726,000	\$605,000	\$968,000	\$847,000	\$605,000	\$484,000	\$4,235,000
	LFG & Air Permit Consulting	\$48,000	\$40,000	\$64,000	\$56,000	\$40,000	\$32,000	\$280,000
	Services Subtotal:	\$834,000	\$695,000	\$1,112,000	\$973,000	\$695,000	\$556,000	\$4,865,000
Landfill Closure								
	Engineering Consulting	\$71,000						
	Closure Construction	\$3,410,000						
	Closure CQA	\$250,000						
	Closure Subtotal:	\$3,731,000	\$0	\$0	\$0	\$0	\$0	\$3,731,000
	Active Landfill Subtotal:	\$4,565,000	\$695,000	\$1,112,000	\$973,000	\$695,000	\$556,000	\$8,596,000

New Landfill

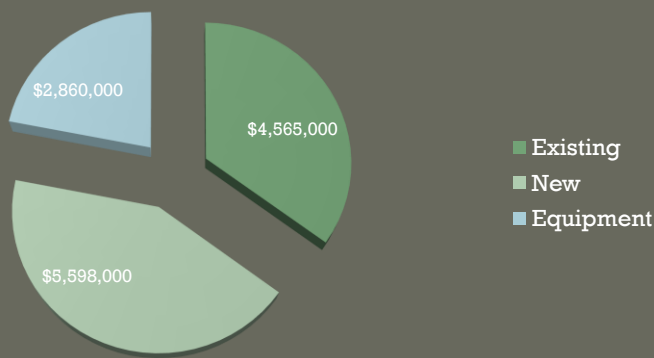
New Landfill (Permit #577)								
		2011-2017	2017-2022	2022-2030	2030-2037	2037-2042	2042-2046	35-Year
Professional Services		Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Totals
	Engineering Consulting	\$480,000	\$400,000	\$960,000	\$840,000	\$600,000	\$480,000	\$3,760,000
	Water Quality Monitoring & Ana	\$90,000	\$105,000	\$144,000	\$126,000	\$90,000	\$72,000	\$627,000
	LFG & Air Permit Consulting	\$48,000	\$40,000	\$64,000	\$56,000	\$40,000	\$32,000	\$280,000
Landfill Permitting								
	Permitting			\$50,000	\$50,000		\$30,000	\$130,000
	Construction Management	\$80,000	\$30,000	\$35,000	\$20,000	\$25,000	\$111,000	\$301,000
	Cell Construction	\$3,500,000	\$3,000,000	\$3,100,000	\$2,000,000	\$2,500,000	\$2,100,000	\$16,200,000
	Closure Construction				\$5,300,000		\$1,800,000	\$7,100,000
	CQA Services	\$300,000	\$270,000	\$275,000	\$445,000	\$225,000	\$369,000	\$1,884,000
	Wetland/Stream Mitigation	\$800,000						\$800,000
Maintenance Shop		\$300,000						\$300,000
	New Landfill Subtotal:	\$5,598,000	\$3,845,000	\$4,628,000	\$8,837,000	\$3,480,000	\$4,994,000	\$31,382,000

Project Equipment Needs for Landfill

	2011-2017	2017-2022	2022-2030	2030-2037	2037-2042	2042-2046	35 Year
Totals	\$2,860,000	\$1,915,000	\$4,375,000	\$4,375,000	\$1,915,000	\$3,510,000	\$18,950,000

Landfill Totals 2011 – 2017 (5 year)

A Total of \$13,023,000



Projected Summary Sheet

	<u>Base</u> <u>Construction</u>	<u>Total Capital</u>	<u>Acreage</u>	<u>Airspace</u> <u>(CY)</u>	<u>Total Cost</u> <u>per Ton</u>	<u>Year New</u> <u>Phase Begins*</u>	<u>Est. Life</u> <u>(Years)</u>
PHASE 1	\$ 3,502,287	\$ 5,598,000	6.70	263,766	\$21.22	2013	4
PHASE 2	\$ 2,969,195	\$ 3,845,000	9.80	457,655	\$8.40	2017	6
PHASE 3	\$ 2,983,918	\$ 4,628,000	7.90	617,192	\$7.50	2023	8
PHASE 4	\$ 1,973,740	\$ 8,837,000	8.50	492,218	\$17.95	2031	6
PHASE 5	\$ 2,410,825	\$ 3,480,000	5.40	855,507	\$4.07	2037	6
PHASE 6	\$ 2,014,597	\$ 4,994,000	6.50	1,287,350	\$3.88	2043	5
TOTALS	\$15,854,562	\$31,382,000	44.80	3,973,688	\$7.90		35

*Assume 1.4% growth rate

Landfill Capital Financing

Available in County Capital Fund FY10-11	\$8,000,000
CIP funding FY11-12	\$1,185,000
Proposed Borrowing in FY13-14	\$4,200,000
Total Funds Available	\$13,385,000
Funds Required per Joyce Engineering Schedule through 2017	\$13,023,000
Note: Although it appears we have sufficient budgetary funds at this point in time, it is important to remember the potential environmental regulations that exists with the operation of a landfill.	

Projected Funding Needs

	2011-2017	2017-2022	2022-2030	2030-2037	2037-2042	2042-2046	35 Year
Totals	\$13,023,000	\$6,455,000	\$10,115,000	\$14,185,000	\$6,090,000	\$9,060,000	\$58,928,000

Funding Options for Long-term

- Discussion
 - Fund Balance
 - Sinking Fund
 - Financing Options

VERIZON LITIGATION

Larry Moore, Assistant County Administrator, advised the Board Franklin County entered into an agreement with Sands Anderson law firm to file on behalf of Franklin County a Notice of Participation as a respondent to the application by Verizon Virginia with the State Corporation Commission (SCC) for review and correction of the equalized assessment of the value of property subject to local taxation of tax year 2009.

The purpose of the filing by Verizon Virginia is to ask the SCC to drastically reduce their 2009 statewide assessment including property in Franklin County. If approved by the SCC, this would result in a significant reduction of taxes on such property and therefore significant loss of revenue to the County. It was and continues to be staff's opinion that the County has a significant and material interest in the outcome of the proceeding.

The initial filing fee for Franklin County was \$750.00 and we discussed staying involved in the proceeding up to a maximum of \$10,000 but would track the expenditures on a month to month basis. The \$10,000 was arrived at since it represented approximately one year of lost revenue (half of \$18,458.00) based on the SCC calculation of assessed value. This number was confirmed by Margaret Torrence and Vince Copenhaver. Since inception through June 2011 the County has expended \$17,200.00.

While we receive monthly updates and regular communication from Sands Anderson, we have had several discussions with Daniel Seigel and asked him for his opinion of an estimate of total

expenditures allocated to Franklin County. It should be noted that we are to be invoiced for 2% of all expenditures. On September 29, 2010, I spoke to Mr. Siegel and advised him we are endeavoring to shore up our cost benefit/analysis and identify our exposure as a small player in the bigger scheme of things.

The following are Mr. Siegel's comments:

- It appears the worst of this may be behind us
- Currently, there are 26 localities participating in this filing and several larger localities have filed on their own due to their larger potential loss
- Newport News just joined as did Warren County as a participant with Sands Anderson
- Louden County was impressed with the expert witness hired since he has won in other states. They have agreed to share in 26% of the expert witness fees.
- New localities joining will result in a credit to Franklin County and reduce our fees to approximately 1% of further billing
- Math is becoming a bigger problem to Verizon since they didn't anticipate localities fighting this action as strongly
- It is short-sighted of those localities who did not file with SCC since they are at risk and will not benefit from the SCC ruling. Settlement will only be for those who participated. "This is not an all or nothing"
- It is recognized we are on the border and have to make a difficult decision of whether to stay involved
- It is recommended we stay included until Summer of 2011 if possible to see this through trial

Based on the submitted update, this case is going to continue at least thru February 2012. We have spent \$17,200 to date and if we continue to average an additional \$1700 a month for 9 more months we will expend an additional \$15,300, for a total of \$32,500.

When this issue was identified, the projected expenditures were presented to the BOS in a memo dated October 1, 2010 and estimated at \$10,000 to \$20,000. We will most likely be exceeding the projected amount we had previously advised the Board in the next couple months. It is important to be reminded that our risk is approximately \$9,000 annually in lost revenue if the ruling were to be in Verizon's favor.

RECOMMENDATION:

The Board to allow staff to continue monitoring and stay with the suit as filed through March 2012 out of concern of losing investment to date if we chose otherwise. At risk currently is approximately \$35,000 and an additional \$10,000 annually going forward at the current tax rate.

Legal counsel has also opined that if we drop out, they are confident we will not benefit even if a favorable ruling is given to those who stay in the suit.

(RESOLUTION #03-07-2011)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve staff's recommendation as presented.

MOTION BY: David Cundiff

SECONDED BY: Russ Johnson

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Cundiff, Angell, Johnson, Thompson & Wagner

APPOINTMENT OF BUILDING OFFICIAL

Rick Huff, II, County Administrator, stated Mr. Peter Ahrens had been appointed as the County Building Official and the following press release had been made.

⑦



PRESS RELEASE

COUNTY ANNOUNCES HIRING OF NEW BUILDING CODE OFFICIAL



For Immediate Release

Date: July 15, 2011

For Additional Information,

*Contact: Richard E. Huff, II, County Administrator
540.483.3030*

After an extensive search and interview process, Franklin County is pleased to announce that Mr. Peter Ahrens, has accepted the position of Building Official in the Development Services Department effective August 1, 2011. Mr. Ahrens is a graduate of Virginia Tech, has family in Virginia, and most recently has been the Building Code Official for Manheim Township in Lancaster, PA where he has 12 years experience. Earlier in his career, Mr. Ahrens was Vice President of DPA Construction and managed all aspects of commercial contracting, including site construction and management; bidding; billing; tax filing and heavy equipment operation. Mr. Ahrens holds a national certification as an ICC Master Code Professional and has extensive knowledge of the ICC Building Codes; code enforcement and record maintenance.

"We are excited to have recruited Mr. Ahrens to Franklin County as he has extensive residential and commercial building development experience, as well as strong communication skills," said County Administrator Richard Huff. "We are committed to continuing the improvement of our customer service and consistency within the department and are delighted to begin working with an individual of Peter's caliber who understands these commitments."

SHERIFF'S DEPARTMENT PARTICIPATION IN COUNTY PAY & CLASSIFICATION SYSTEM (FY' 2012-2015)

Richard E. Huff, II, County Administrator, stated in September of 2007, the Board of Supervisors wanted to signal to potential candidates for Sheriff that they desired to offer grievance procedure job security to all Sheriff's Department employees through an agreement with the new Sheriff, whoever that was to be. In the absence of such an agreement, no grievance procedure protection would be offered to any departmental employees as the long time Sheriff announced plans to retire.

An additional request to include in any such agreement was to be to insure that all County wide hiring practices, leave policies and other personnel policies would be followed by the County's largest department outside of schools.

In December, 2007, an agreement was presented by Sheriff elect Hunt and County staff per the Board's direction. It was to become effective on January 1, 2008 and covered all employees

below the rank of lieutenant, at Sheriff elect Hunt's request. It had the added benefit at that time of transferring the record keeping for accrued vacation and sick leave balances to the County's Human Resource division rather than kept internally within the department. The Board approved the agreement and directed that it be effective through December, 2011 unless terminated by either party with 30 days notice. A copy of the agreement is submitted.

The agreement is set to end on December 31, 2011. If the Board is interested in entering into an agreement with the Sheriff that takes office on January 1, 2012 (incumbent or new), it should send that signal as early as possible so that employees will know whether they will have grievance process protection after the first of the new year.

To put the issue into prospective, there are currently 95 employees in the Sheriff's Department (including E911), 87 of which fall under the rank of Lieutenant. The County currently provides salary supplements for Sheriff's Department employees above the Compensation Board reimbursement in the amount of \$720,613 including 10 locally funded positions in uniform and 13 locally funded in the E911 Center. In addition, there are five Compensation Board positions in the 911 Center who are under the Sheriff which represent \$34,343 in local funding above the Comp Board reimbursement for salaries. (These figures above do not include local funding for benefits.)

Staff requests direction from the Board on whether a new agreement should be prepared and if changes should be made if we are to have an agreement moving forward.



SHERIFF'S DEPARTMENT AGREEMENT

THIS AGREEMENT made and entered into this 18th day of December, 2007, by and between Ewell Hunt, Sheriff Elect for Franklin County, party of the first part, and the Franklin County Board of Supervisors, party of the second part.

WHEREAS, the Sheriff is a designated Constitutional Officer; and

WHEREAS, in accordance with Section 2.2 -3008 of the Code of Virginia, as amended, employees of Constitutional Officers may be accepted into a local governing body's grievance procedure or personnel system if agreed to by both the Constitutional Officer and the local governing body; and

WHEREAS, in accordance with Section 15.2-1605.1 of the Code of Virginia, as amended, the governing body of any county, in its discretion, may supplement the compensation of the Constitutional Officers, their deputies and employees in such amounts as it may deem expedient; and

WHEREAS, the County has agreed to place Sheriff's Department employees on the County's Pay and Classification Plan, and

WHEREAS, Sheriff Elect Hunt has agreed to comply with all County Personnel Policies applicable to other employees except as spelled out herein, and

NOW, THEREFORE, this Agreement

WITNESSETH:

That for and in consideration of the premises and the mutual covenants contained herein, and other good and valuable considerations, the receipt of which hereby acknowledged, the parties hereto agree as follows:

A. Sheriff Elect Hunt shall:

1. Agree to follow in every respect all aspects of the HUMAN RESOURCE MANAGEMENT POLICIES AND PROCEDURES MANUAL as may be hereafter amended and applicable to all other County employees, except that he shall exempt from the County Grievance Procedure those deputies of the rank of Lieutenant and higher. Such employees would be absolute at will employees of the Constitutional Officer at all times during the period of this agreement. This agreement to follow County policies will include all leave policies, holidays, etc. and shall include submitting all applicable leave and overtime records to the appropriate County Office responsible for accounting for such records and payroll information.

40 E. Court Street
Rocky Mount, VA 24151
540-483-3030
countyadmin@franklincountyva.org

2. Recruit and employ personnel in accordance with the procedures of the County's Human Resource Department. This shall include recruitment, advertising, offers of employment, orientation, and such other policies as may be applied to all other similar employee groups for the County. The employment decision is the sole prerogative of the Constitutional Officer. However, the individual hired must meet the minimum qualifications of the job as outlined in the job description.

3. Employ no personnel in excess of that authorized by the State Compensation Board and the County without the expressed consent of the County.

4. Consult with the County Administrator and/or the Director of Finance regarding the preparation and presentation of their Compensation Board budget prior to submittal. Seek reimbursement from the Compensation Board for all allowable expenses.

5. Comply with all procurement and finance procedures, including compliance with the audit management letter, applicable to all other County Offices.

6. Provide financial or informational reports as requested by the County.

B. The County shall:

1. Assign all employees of the Sheriff to a designated pay grade within the County's Pay and Classification Plan and shall fund such placements as are approved by the County with local funds above and beyond those funds provided by the State Compensation Board if required. Employees of the Sheriff's Department shall be treated in all respects the same as other similar employee groups in matters of Human Resource and Compensation Policy for so long as this agreement remains in effect. The Constitutional Officer does not accrue sick leave or annual leave under the County's leave program.

C. Termination

1. This Agreement may be canceled by either party by giving thirty (30) days written notice to the other, or

2. In the event of breach by either party to this Agreement, the other party may give written notice to the party deemed to be in breach specifying the manner in which the Agreement has been breached. If such notice of breach is given, the party sending the notice may suspend performance of any or all of its corresponding obligations under this Agreement, and if the party receiving the notice has not substantially corrected the breach within thirty (30) days of receipt of the written notice, the party sending the notice shall have the right to terminate this Agreement.

3. This Agreement shall be in full force and effect from January 1, 2008, through December 31, 2011. This Agreement may be terminated by either party upon thirty (30) days written notice prior to the termination date.

40 E. Court Street
Rocky Mount, VA 24151
540-483-3030
countyadmin@franklincountyva.org

D. This Agreement constitutes the sole Agreement existing between the parties with respect to this subject matter and there are not other written or oral understandings or agreements with respect thereto. No variation or modification of this Agreement and no waiver of its provisions shall be valid unless agreed to in writing and signed by the County Administrator, when duly authorized by the Board of Supervisors, and the Constitutional Officer.

IN WITNESS WHEREOF, THE CONSTITUTIONAL OFFICER and the COUNTY OF FRANKLIN, VIRGINIA, have caused these premises to be signed and their seals affixed hereto by all due authority.

Emilee A. Hunt
Sheriff Elect
[Signature]
ATTEST:

12-27-2007
Date

R:2>E Huff
FOR THE COUNTY OF FRANKLIN, VIRGINIA
Connie Stanley
ATTEST:

12/18/07
Date

Emilee A. Hunt
Ratified as Sheriff
Connie Stanley
ATTEST:

1-03-2008
Date



EXECUTIVE SUMMARY

AGENDA TITLE: Proposed Agreement with Sheriff elect Hunt	AGENDA DATE December 18, 2007	ITEM NUMBER:
SUBJECT/PROPOSAL/REQUEST: Proposed agreement with Sheriff elect Hunt on accepting the conditions of the County in order for the department to remain on the County's Pay Plan.	ACTION:	
STRATEGIC PLAN FOCUS AREA: Government Services	CONSENT AGENDA:	
GOAL #: 5 – Effective Resource Management	ACTION:	INFORMATION:
ACTION STRATEGY: Complete Human Resource Capacity Assessment	ATTACHMENTS: YES	
STAFF CONTACT(S): Messrs. Huff,	REVIEWED BY:	

BACKGROUND:
On September 18, 2007, the Board of Supervisors adopted a resolution which authorized staff to prepare a draft agreement between the County and the new Sheriff, effective January 1, 2008 that would establish the parameters for the Sheriff's Department to fully follow all provisions of the County Personnel Manual including the grievance procedure, leave policies, etc. This motion was passed prior to the election so that all candidates for the position would know of the Board's intentions.

DISCUSSION:
Staff has worked with Sheriff elect Hunt to draft the attached agreement. The agreement, which lasts for (4) four years, will require that all Sheriff's Department employees be treated, for purposes of the County's Personnel Policies and Procedures, the same as all other County employees with the exception that the Sheriff's Department personnel ranked a Lieutenant or higher, are exempt from the County's grievance procedure. The agreement further establishes that the Sheriff's Department will follow all hiring processes used by other County departments, and it accomplishes the goal of all leave balances and overtime records being transferred from the Sheriff's Department to the County's Human Resource function.

RECOMMENDATION:
Staff recommends that the agreement be accepted by resolution authorizing the County Administrator and the Sheriff elect to execute it.

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD THEIR REGULAR MONTHLY MEETING ON TUESDAY, SEPTEMBER 18TH, 2007, AT 1:30 P.M., IN THE BOARD OF SUPERVISORS MEETING ROOM IN THE COUNTY COURTHOUSE.

THERE WERE PRESENT: Wayne Angell, Chairman
Charles Wagner, Vice-Chairman
Leland Mitchell
David Hurt
Charles Poindexter
Russ Johnson
Hubert Quinn

OTHERS PRESENT: Richard E. Huff, II, County Administrator
Christopher L. Whitlow, Asst. County Administrator
Larry V. Moore, Asst. County Administrator
B. J. Jefferson, County Attorney
Sharon K. Tudor, CMC, Clerk

SHERIFF'S DEPARTMENT PARTICIPATION IN COUNTY PAY PLAN/GRIEVANCE PROCEDURE

Richard E. Huff, II, County Administrator, stated in 1995, the Sheriff's Department employees were incorporated into the County Pay Plan with the Sheriff retaining the right to hire and fire appointees as provided for in § [15.2-1603](#) of the Code of Virginia,

§ [15.2-1603](#). Appointment of deputies; their powers; how removed.

The treasurer, the sheriff, the commissioner of the revenue, and the clerk of any circuit court may at the time he qualifies as provided in § [15.2-1522](#) or thereafter appoint one or more deputies, who may discharge any of the official duties of their principal during his continuance in office, unless it is some duty the performance of which by a deputy is expressly forbidden by law. The sheriff making an appointment of a deputy under the provisions of this section may review the record of the deputy as furnished by the Federal Bureau of Investigation prior to certification to the appropriate court as provided hereunder.

The sheriff may appoint as deputies medical and rehabilitation employees as are authorized by the State Compensation Board. Deputies appointed pursuant to this paragraph shall not be considered by the State Compensation Board in fixing the number of full-time or part-time deputies which may be appointed by the sheriff pursuant to § [15.2-1609.1](#).

The officer making any such appointment shall certify the appointment to the court in the clerk's office of which the oath of the principal of such deputy is filed, and a record thereof shall be entered in the order book of such court. Any such deputy at the time his

principal qualifies as provided in § [15.2-1522](#) or thereafter, and before entering upon the duties of his office, shall take and prescribe the oath now provided for in § [49-1](#). The oath shall be filed with the clerk of the court in whose office the oath of his principal is filed, and such clerk shall properly label and file all such oaths in his office for preservation. **Any such deputy may be removed from office by his principal.** The deputy may also be removed by the court as provided by § [24.2-230](#). (emphasis added).

Mr. Huff stated as a result of that agreement, employees of the Sheriff's Department have received salary increases commensurate with other County employees and have not been subjected to fluctuations in State Compensation Board funding for staff since that time. Employees of the Sheriff's Department are evaluated under the County's Performance Evaluation System and positions are placed on the County's Pay Ranges based on an internal equity assessment as well as market based salary evaluations.

Current Sheriff's Department employees serve at the pleasure of the Sheriff. Virginia Code allows for Constitutional Officers to offer more job security to their employees through the provisions of a grievance procedure if done by agreement between the governing body and the Constitutional Officer as shown in § [2.2-3008](#). Employees of local constitutional officers.

§ 2.2-3008. Employees of local constitutional officers.

Constitutional officers shall not be required to provide a grievance procedure for their employees; however, such employees may be accepted in a local governing body's grievance procedure or personnel system if agreed to by the constitutional officer and the local governing body.

Due to the retirement of Sheriff W.Q. Overton, a new agreement will be needed upon the office being filled in January, 2008. The Board has indicated that it wishes to signal its desire to offer grievance procedure job security to Sheriff's Department employees prior to election of a new Sheriff. Such protection could be made a condition of ongoing pay plan participation along with agreement that all County Personnel Policies be followed by all participants in the County's Pay Plan, effective January 1, 2008.

This action will insure that all County wide hiring practices, leave policies, and other personnel policies are adhered to by those who benefit by virtue of inclusion in the County's Pay Plan.

An agreement will need to be drafted between the new Sheriff and the Board. In reviewing some drafts from other localities, the agreement could cover all employees of the Department except the Chief Deputy, who is frequently a political appointee.

RECOMMENDATION:

(RESOLUTION #04-07-2011)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to notify all of the Sheriff candidates of the continuation of the present policies as currently adhered to by the department through December 31, 2011.

MOTION BY: Wayne Angell

SECONDED BY: David Cundiff

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Cundiff, Angell, Johnson, Thompson & Wagner

OTHER MATTERS:

Richard E. Huff, II, County Administrator, stated CSA Office will be re-located within the additional renovated space for Social Services, (the former Library, East Court Street) which will result in a \$3000 savings for the County.

Bobby Thompson, Blue Ridge District Supervisor, requested staff and VDOT to research the lowering of the present speed limit around the DQ, Minute Market & Dollar General Store along Virginia Route 40 in Ferrum. The Board directed staff to comply with the request and will report back to the Board.

Bobby Thompson, Blue Ridge District Supervisor, stated some years back a TEA-21 Grant was secured for a walkway for pedestrians. Mr. Thompson requested staff to revisit the possibility in reviving the grant for the completion of the project. Staff will report back to the Board their findings.

Chairman Wagner adjourned the meeting.

CHARLES WAGNER
CHAIRMAN

RICHARD E. HUFF, II
COUNTY ADMINISTRATOR